

EUROPEAN ECONOMY

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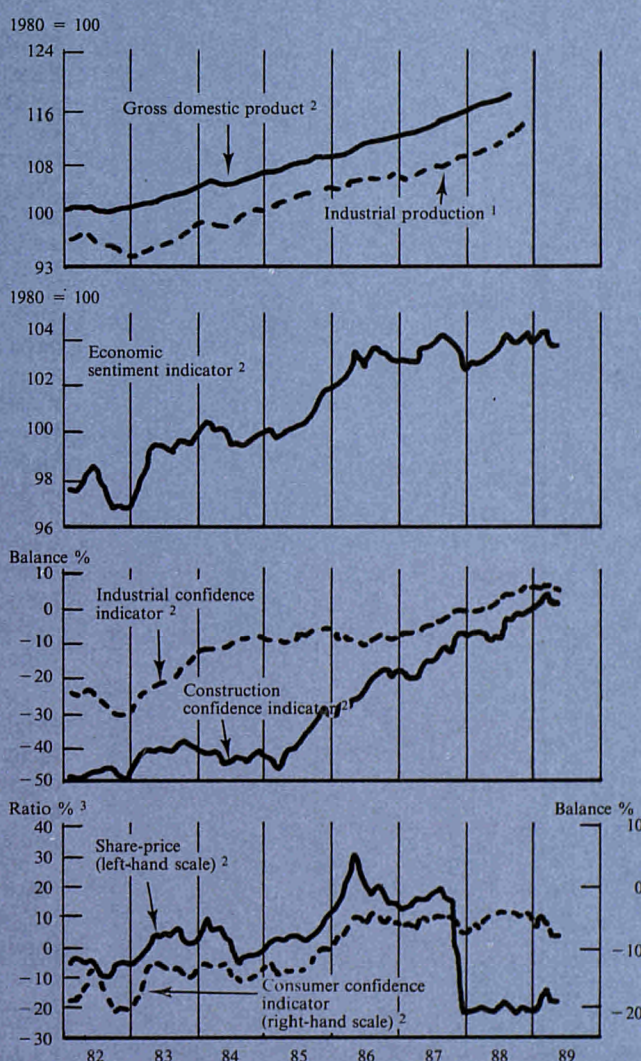
Business and consumer survey results

*In this number:
Capacity utilization
in industry*

THE MAIN POINTS IN BRIEF

- The European industry is still on an expansive course. Industrial survey results show no change in the favourable picture of economic activity in the European Community. Until recently, industrial production was climbing rapidly. Industrialists are also planning further increases in production in the next few months. Domestic and export demand continues to be buoyant. Order-books are comfortably full. Companies report that stocks of finished products are high enough to enable them to fulfil new orders without difficulty.
- Economic activity in the Community is still being driven by domestic demand. The main contributory factor is the continuing buoyancy of investment activity in industry. Consumer activity is likely to lose some of its momentum. Purchasing intentions have recently weakened slightly. The external situation remains favourable. Export expectations in industry have increased further.
- Capacity utilization in industry is still high. Taking the average for the Community, capacity utilization rates in April again almost reached the peak last seen in 1973. However, the number of firms which expect capacity constraints is slightly up on January 1989.
- The Community's leading economic indicator remained at virtually the same high level as during the previous month.

GRAPH 1: Indicators of output and economic sentiment — European Community

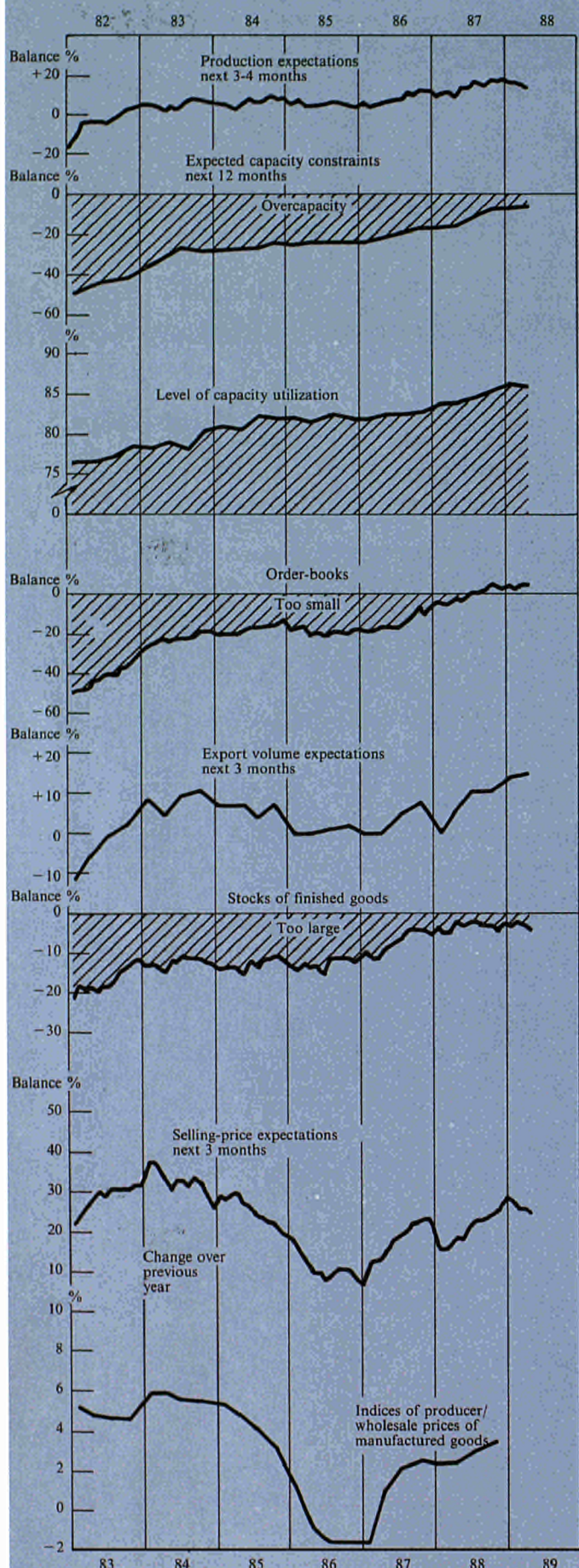


¹ Three-month moving average.

² See notes to Table 10.

³ Deviations from trend in %.

GRAPH 2: Indicators of output, demand and prices in industry
— European Community



European industry is still on an expansionary course. — Sustained dynamic growth is the hallmark of economic trend in the Community. According to the leading economic indicators, the favourable economic situation is still continuing. Taking the average for the Community, industrialists are planning further increases in production. An important point is that the growth process, which has now lasted for six years, has remained largely free of tensions. Despite the high level of capacity utilization, reports of capacity constraints remain relatively rare, suggesting that the productive system is more flexible. There are only isolated cases of manpower shortages hampering production activity, a sign of the labour markets' increased adaptability. It is a welcome fact that the business surveys results as yet do not indicate any acceleration in inflationary trends.

The high level of capacity utilization, the favourable demand prospects, the improvement in profitability and the additional momentum generated by the completion of the internal market are all indications of the persistence of the investment-led process of economic growth and activity which is still positive (see Table 8). This is signalled by the business survey results which are available up to and including April.

Virtually no change in the high level of capacity utilization in industry. — In April, the capacity utilization rates in industry averaged 86.1 % for the Community: this is almost as high as last January's level (86.3 %). The last time that similarly high values were reported was in 1973, before the first oil shock. The slight dip in average Community utilization rates is mainly due to developments in the United Kingdom, where it was no longer possible to sustain January's very high level (94.3 %); in April this fell to 92.5 %.

Capacity is being fully utilized in all branches of industry. Capacity utilization is still highest in the case of intermediate goods (86.4 %), even though rates were here too slightly down on January, falling by 0.2 of a percentage point. Capacity utilization in the investment goods industry showed a further definite increase, climbing by half a percentage point to 86.2 %. In the consumer goods industries the utilization of production capacities was 0.4 of a point down on January, falling to 84.9 % in April.

The most recent survey results also reveal that in general, no capacity constraints are expected in the near future, taking the average for industry. However, there is a perceptible fall in the number of firms reporting spare capacity. The difference between the number of firms which expect to have surplus capacity in the near future and those which forecast capacity constraints is again one percentage point down on the previous quarter. This is chiefly due to the investment goods industries where the corresponding difference is four percentage points down on the previous quarter. In the other main branches of industry the difference between the number of firms which expect capacity constraints and those which do not has not changed during the same period.

Domestic and export demand still remain buoyant. — The most recent business survey results confirm that the domestic and export demand situation remains positive. The evaluation of both order-books and new orders in industry indicate buoyant demand for industrial products.

On balance, firms again consider order-books to be relatively full; it is estimated that they are sufficient to cover 3.7 months of production (longer even than in January). This result is confirmed by the order-books trend which has been rising since the second quarter of 1988. As regards the way new orders have been developing in the recent past, firms in all countries except Luxembourg are optimistic (see Table 5). However they are no longer quite so positive concerning the trend of orders in April as they were even in January. This is particularly true of the United Kingdom, France and the Federal Republic of Germany.

Dynamic export demand continues to be the driving force behind the rising demand for industrial goods. Taking the average for the Community this is reflected in industrialists' assessments of the level of their export orders, which have remained virtually stable since the beginning of 1989 and on balance are considered to be sufficient; at the same time the

majority of firms in all member countries are expecting a definite expansion of exports in the next few months. According to the most recent survey results the trend of exports is especially favourable in the Federal Republic of Germany, Italy, the Netherlands, Greece, Ireland and Portugal.

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TABLE 1: Capacity utilization in manufacturing industry (%) (a) (s.a.)

	Range (b)		Range (b)		1987		1988		1987				1988				1989	
	Peak 1973	Trough 1975	Peak 79/80	Trough 82/83					J	A	J	O	J	A	J	O	J	A
B	85.4	70.4	78.8	74.6	76.7	78.7	76.5	76.4	76.1	77.6	78.1	78.4	78.7	79.7	79.0	79.3		
D	88.1	74.8	86.0	75.3	83.5	85.0	83.8	82.8	83.9	83.6	84.1	84.2	85.3	86.5	87.7	87.7		
GR	..	..	..	74.4	76.2	74.7	76.6	76.3	77.4	74.3	71.7	74.8	74.9	77.3	76.9	78.8		
E*	..	..	..	..	..	79.2	..	77.9	76.3	78.3	78.9	78.4	80.4	79.2	81.6	80.4		
F	87.8	76.6	85.3	81.1	83.5	85.7	83.0	83.2	83.5	84.3	85.0	85.7	85.8	86.4	87.1	87.7		
IRL	..	..	68.1	56.8	71.5	74.0	67.7	74.8	69.6	73.9	75.0	73.3	71.3	76.5	74.0	73.4		
I	78.8	68.0	77.3	69.1	76.7	77.6	75.9	76.8	77.5	76.6	77.6	76.1	77.8	79.0	79.9	79.2		
L	..	..	83.0	66.5	79.5	83.3	77.2	80.5	79.4	80.9	84.2	82.5	83.4	82.9	85.2	85.5		
NL	86.0	76.0	83.0	75.8	83.0	84.4	84.0	83.8	84.1	84.1	84.0	83.8	84.8	85.1	85.2	86.1		
P*	..	..	..	..	81.3	81.5	80.4	80.9	82.0	82.0	82.0	81.3	82.3	80.3	80.7	82.1		
UK (e)	90.6	75.5	87.6	73.0	87.5	93.7	86.7	87.1	86.9	89.1	92.6	94.8	93.3	93.9	94.3	92.5		
EUR (c)	86.4	75.0	83.9	76.4	82.6	84.6	82.1	82.6	82.6	83.0	83.9	84.1	84.6	85.6	86.3	86.1		

TABLE 2: Degree of capacity utilization and orders on hand by industrial branches — European Community (s.a.)

Industries	Degree of capacity utilization in %								Expected capacity constraints: balances overcapacity (+) capacity too small (-)							
	1987		1988		1988				1987		1988		1988			
					J		A						J		A	
	1987	1988	1987	1988	J	A	J	O	J	A	J	A	J	O	J	A
Industry as a whole	82.6	84.6	83.9	84.1	84.6	85.6	86.3	86.1	+25	+13	+17	+16	+11	+7	+7	+6
Consumer goods	84.2	85.4	85.5	84.5	85.7	85.7	85.3	84.9	+19	+12	+13	+14	+12	+7	+4	+4
Investment goods	81.7	83.4	82.5	83.3	83.2	84.5	85.7	86.2	+30	+20	+24	+23	+17	+17	+13	+9
Intermediate goods	83.0	84.6	83.7	84.8	84.5	85.4	86.6	86.4	+21	+9	+15	+11	+6	+2	+6	+6
Textile industry	82.9	81.8	79.8	81.4	84.2	81.7	83.0	82.7	+19	+16	+11	+15	+19	+16	+11	+18
Footwear and clothing	86.1	85.8	86.4	86.1	85.8	85.2	84.7	87.7	+17	+15	+15	+17	+16	+12	+14	+11
Timber/wooden furniture	82.4	83.3	82.2	83.1	83.1	84.6	83.7	84.4	+20	+16	+20	+20	+14	+11	+9	+9
Manufacture of paper, paper products, printing of which:	86.8	86.9	85.0	87.8	86.9	87.7	87.9	86.8	+8	+6	+9	+8	+5	+1	+9	+9
manufacture of paper	91.1	93.2	92.9	92.8	92.9	94.1	91.9	93.8	0	-4	-2	-2	0	-11	-7	-6
Leather	78.4	80.6	81.1	79.6	80.1	81.8	81.1	83.1	+22	+19	+5	+24	+19	+25	+20	+16
Plastics	82.8	82.6	81.7	82.2	83.0	83.0	83.3	82.9	+7	+4	+4	+2	+4	+5	+9	+2
Mineral-oil refining	86.0	86.2	85.1	85.4	86.0	87.4	91.4	87.7	+52	+24	+38	+30	+23	+10	+16	+22
Metals	78.1	82.3	79.5	82.1	82.3	85.0	87.1	86.3	+32	+11	+21	+13	+4	+4	+7	+12
Non-metallic mineral products	80.6	82.6	81.4	83.6	83.1	82.8	85.1	86.1	+24	+12	+24	+12	+11	+3	-2	-6
Metal articles	80.6	82.0	81.5	80.9	82.5	83.1	82.9	85.2	+26	+18	+18	+15	+10	+26	+5	+3
Mechanical engineering of which:	82.1	84.7	83.4	84.5	85.4	86.0	87.8	87.9	+29	+13	+22	+13	+8	+9	+7	+5
machines tools	86.6	87.0	85.5	87.4	87.7	87.0	89.4	89.8	+14	+8	+21	+9	+6	0	+6	-1
Office & data processing machinery	80.2	83.2	81.5	83.0	80.2	87.4	83.6	82.5	+22	+12	+20	+9	+5	+11	+25	+16
Electrical engineering	82.2	82.9	80.8	81.5	83.3	85.0	85.5	84.4	+30	+25	+35	+27	+26	+18	+15	+17
Shipbuilding	66.7	71.8	72.1	71.9	71.4	72.3	77.9	81.9	+46	+36	+32	+48	+27	+36	+44	+11
Rubber products	83.5	83.4	77.0	84.7	84.6	86.7	93.5	86.3	+6	-9	-6	-14	+3	-22	-1	-10
Instrument engineering	83.1	85.5	82.8	87.3	84.7	87.1	87.1	85.2	+26	+17	+25	+20	+17	+7	+8	+9

TABLE 3: Expected capacity constraints in manufacturing industry: i.e. balance of respondents expecting capacity to be more than sufficient in relation to production expectations (a)(d) (s.a.)

	Range (b)		Range (b)		1987	1988	1987	1988				1989	
	Peak 1973	Trough 1975	Peak 79/80	Trough 82/83				O	J	A	J	O	J	A
B	-12	+58	+35	+53	+26	+23	+26	+27	+23	+23	+20	+24	+15
DK	:	:	+10	+38	+8	+20	+22	+21	+21	+18	+20	+15	+13
D	-3	+56	+12	+49	+13	+14	+17	+18	+15	+12	+9	+6	+3
GR	:	:	:	+34	+20	+18	+20	+20	+18	+19	+13	+14	+12
E*	:	:	:	:	:	+9	+9	+9	+7	+10	+8	+3	+3
F	-24	+45	+11	+48	+31	+11	+23	+17	+18	+8	+2	-3	-4
IRL	:	+34	+2	+40	+18	+13	+13	+20	+12	+13	+8	+8	+8
I	+1	+63	+17	+58	+37	+18	+21	+23	+20	+17	+13	+15	+17
L	-72	+73	+37	+62	+7	+3	+4	-2	+3	+1	+4	-2	+1
NL	-3	+60	+14	+51	+4	+7	+7	+9	+7	+6	+5	+4	+1
P*	:	:	:	:	:	+4	-5	+2	+4	+4	+7	+4	+5
UK	:	:	:	+63	+28	+6	+9	+8	+12	+3	+1	+7	+9
EUR (c)	-7	+54	+14	+50	+25	+13	+17	+17	+16	+11	+7	+7	+6

(a) The data are collected in January, April, July and October each year.

(b) These are the extreme (high and low) values of the net balances of the different questions, reached in the periods 1973-1975 and 1979-1983 respectively.

(c) Weighted total of available country data.

(d) Answers to the questions whether, taking into account the level of order-books or production, capacity is more than sufficient (+), sufficient (=) or less than sufficient (-). This, negative balances (capacity less than sufficient) indicate high levels of capacity utilization and positive balances (capacity more than sufficient) are associated with low levels of capacity utilization.

(e) The series for the United Kingdom are estimated using the national (Confederation of British Industry) data on the percentage of firms reporting below-capacity working.

* = Figures not s.a.

Source: European Community business surveys.

TABLE 4: Estimated number of months' production assured by orders on hand in manufacturing industry (a) (s.a.)

	Range (b)		Range (b)		1987	1988	1988				1989	
	Peak 1973	Trough 1975	Peak 1979	Trough 1982/83			I	II	II	IV	I	II
B	4,5	2,8	3,7	3,0	3,3	3,2	3,1	3,3	3,2	3,3	3,4	3,4
D	3,3	2,8	3,4	2,6	2,8	2,8	2,7	2,8	2,8	2,9	2,9	3,1
GR	:	:	:	5,0	5,9	6,4	6,7	6,3	6,0	6,5	6,1	6,3
E*	:	:	:	:	:	2,4	2,6	2,5	2,4	2,2	2,3	2,5
F	3,5	2,7	4,2	3,3	2,8	3,2	3,7	2,7	3,1	3,1	3,5	3,1
IRL	2,2	1,8	2,6	1,5	1,9	1,7	1,7	1,8	1,5	1,8	2,0	1,8
I	4,7	3,7	5,3	3,8	4,0	4,1	3,8	3,9	4,2	4,4	4,6	4,7
L	3,5	1,4	2,4	1,7	2,2	2,5	2,4	2,3	2,5	2,6	2,6	2,8
NL	4,7	2,6	4,2	2,5	3,2	2,7	2,6	2,6	2,8	2,9	3,0	3,2
P*	:	:	:	:	:	3,9	4,0	3,8	3,8	3,8	4,0	4,0
UK	:	:	4,2	1,9	3,9	3,1	3,4	3,0	3,1	3,0	3,8	4,1
EUR (c)	3,7	3,0	3,9	3,0	3,3	3,2	3,3	3,1	3,2	3,3	3,6	3,7

TABLE 5: New orders in manufacturing industry (a) (s.a.)

Balances: i.e., differences between the percentages of respondents giving positive and negative replies

	Range (b)		1987	1988	1987		1988				1989	
	Peak 1979	Trough 1981/83			J	O	J	A	J	O	J	A
B	+8	-22	-5	+4	+3	-2	+6	+10	-1	-1	+5	+10
DK	:	-14	+2	+9	+4	+1	+6	+9	+11	+8	+18	+19
D	+17	-26	+2	+11	+3	+6	+4	+11	+17	+13	+18	+12
E*	:	:	:	+9	+4	+8	+5	+12	+5	+14	+6	+15
F	+14	-35	-4	+18	-8	+8	+18	+18	+16	+21	+19	+15
IRL	:	-46	-4	+8	+3	-3	-3	+6	+10	+20	+11	+12
I	+7	-25	+10	+15	+9	+11	+4	+12	+19	+23	+17	+19
L	+45	-67	-9	+5	+5	+9	+14	-11	+10	+8	+9	-3
NL	+9	-6	+6	+13	+8	+7	+12	+16	+11	+14	+14	+14
P*	:	:	+23	+7	+19	+17	+6	+11	+5	+7	+6	+6
UK	:	-21	+22	+28	+25	+31	+30	+28	+27	+25	+17	+2
EUR (c)	+14	-27	+6	+17	+7	+12	+13	+16	+18	+19	+17	+12

TABLE 6: Export volume expectations in manufacturing industry: (a) (s.a.)

Balances: i.e., differences between the percentages of respondents giving positive and negative replies

	Range (b)		1987	1988	1987		1988				1989	
	Peak 1979	Trough 1981/83			J	O	J	A	J	O	J	A
B	:	:	-3	+3	+5	-1	+10	+11	-5	-3	+5	+13
D	+6	-15	-3	+1	+1	+3	-10	-2	+9	+8	+14	+15
GR	:	-13	+16	+18	+15	+25	+15	+21	+11	+23	+29	+24
E*	:	:	:	+5	+3	-1	+3	+7	+1	+7	+5	+4
F	+13	-23	-3	+9	+2	+6	+1	+9	+13	+12	+10	+12
IRL	:	-8	+10	+26	+13	+32	+19	+27	+20	+28	+29	+16
I	+16	-14	+9	+14	+4	+9	+3	+14	+18	+21	+27	+23
L	+62	-67	-13	+7	-5	+7	+15	-7	+18	+11	+9	+4
NL	+20	-11	+6	+7	+2	+6	+1	+9	+10	+8	+6	+18
P*	:	:	+22	+20	+10	+29	+22	+25	+15	+16	+21	+18
UK	:	-4	+19	+11	+23	+19	+7	+5	+16	+16	+18	+8
EUR (c)	+11	-11	+4	+7	+6	+7	0	+6	+11	+11	+14	+15

TABLE 7: Employment expectations in manufacturing industry (a) (s.a.)

Balance of respondents expecting employment up, unchanged, down

	Range (b)		Range (b)		1987	1988	1987	1988				1989	
	Peak 1973	Trough 1975	Peak 1979	Trough 1982/83			IV	I	II	II	IV	I	II
B	+12	-26	-2	-17	-15	-6	-12	-9	-7	-8	0	-1	-6
DK	:	:	:	-14	-8	-9	-10	-15	-9	-9	-1	-2	-3
D	+13	-34	+2	-38	-15	-10	-14	-15	-10	-11	-3	0	-1
GR	:	:	:	:	-5	-5	-2	-5	-5	-8	-1	+3	+3
E*	:	:	:	:	:	-11	-17	-12	-7	-9	-14	-14	-8
F	+17	-35	-23	-48	-44	-33	-39	-36	-34	-34	-26	-20	-19
IRL	+15	-34	+4	-35	-5	-7	-14	-14	-6	-5	-4	+3	+13
I	+13	-26	+3	-39	-17	-7	-16	-14	-14	0	0	+7	+1
L	+75	-67	-1	-62	-8	-10	-7	-28	+8	-8	-12	-28	-35
NL	+4	-32	-6	-36	0	-10	-5	-12	-8	-13	-6	-5	-1
P*	:	:	:	:	-1	-4	-1	-2	-1	-4	-8	-6	-1
UK	:	:	:	-43	-4	+8	+4	+8	+5	+13	+7	+1	-4
EUR	+12	-31	-6	-40	-18	-11	-15	-15	-13	-9	-6	-3	-5

(a) The data are collected in January, April, July and October each year.

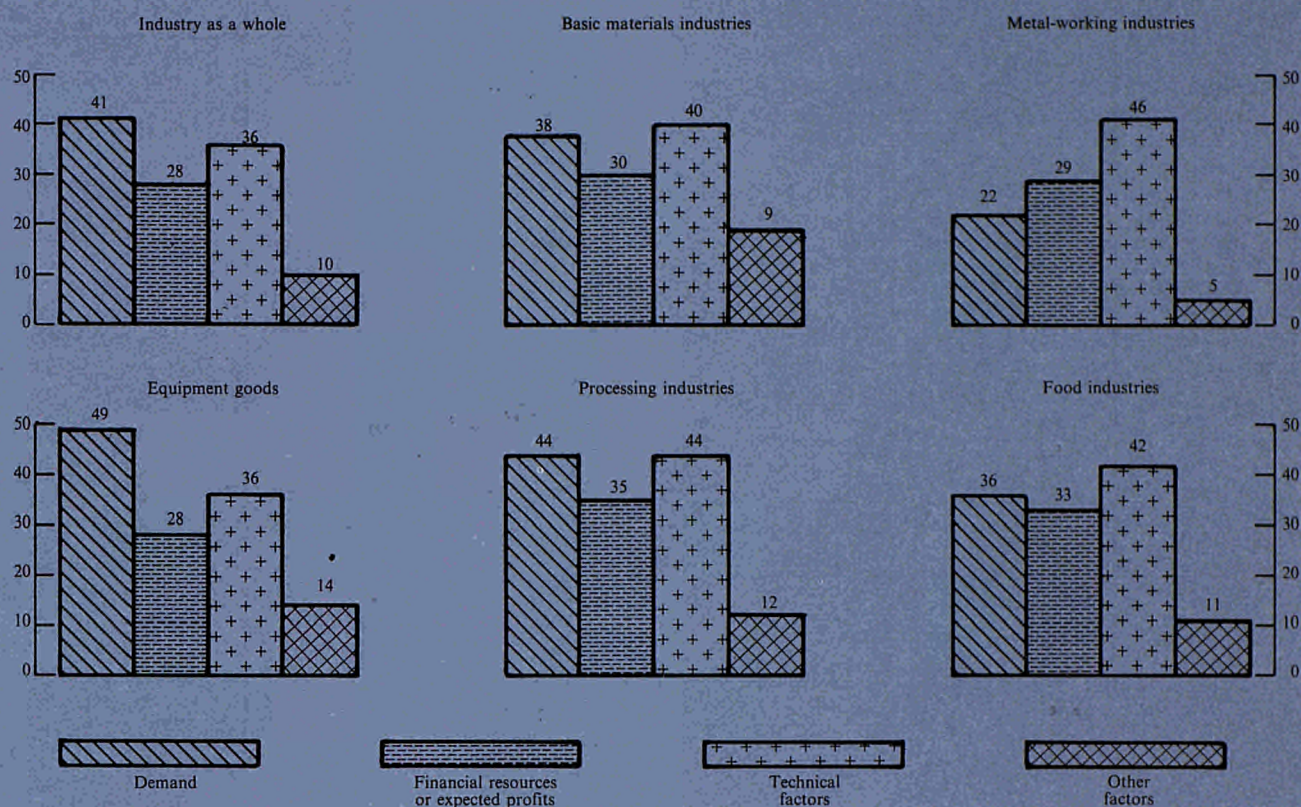
(b) These are the extreme (high and low) values of the net balances of the different questions, reached in the periods 1973-1975 and 1979-1983 respectively.

(c) Weighted total of available country data.

* = Figures not s.a.

Source: European Community business surveys.

GRAPH 3: Factors influencing industrial investment by sector in the Community in 1989 (Balances)



Source: Investment survey, see Table 9.

TABLE 8: Factors influencing industrial investment by sector in the Community (1987-89) – Balances (a)

Sector	Demand			Financial resources or expected profits			Technical factors (d)			Other factors		
	1987	1988	1989	1987	1988	1989	1987	1988	1989	1987	1988	1989
Basic materials industries	36	38	38	27	31	30	24	38	40	8	7	9
Metal-working industries	17	21	22	31	29	29	43	43	41	5	4	5
Equipment goods	45	49	49	31	28	28	37	35	36	15	11	14
Processing industries	42	45	44	37	34	35	45	43	44	9	11	12
Food industries	31	36	36	23	32	33	36	40	42	-8	11	11
Industry as a whole (b)	38	42	41	28	28	28	35	35	36	7	9	10

TABLE 9: Factors influencing industrial investment by country (1987-89) – Balances (a)

Sector	Demand			Financial resources or expected profits			Technical factors (d)			Other factors		
	1987	1988	1989	1987	1988	1989	1987	1988	1989	1987	1988	1989
B	31	32	(32)	11	16	(16)	41	42	(42)	14	14	(14)
D (c)	24	21	(21)	17	13	(13)	49	50	(50)	7	5	(5)
GR	46	44	48	20	14	16	49	48	49	0	15	13
E	19	27	(27)	11	10	(10)	27	20	(20)	-2	-5	(-5)
F (d)	42	51	49	55	59	58	26	29	30	14	19	20
IRL	32	45	50	28	29	30	31	28	35	-5	-4	-2
I	68	76	81	47	51	49	17	5	5	7	9	13
L	38	49	51	21	32	30	46	43	44	4	10	11
NL	26	32	28	-3	-16	-18	23	30	29	-2	-9	-10
P	37	33	31	12	4	9	42	32	32	10	5	6
UK (e)	44	52	49	28	32	32	39	43	48	3	18	19
EUR	38	42	41	28	28	28	35	35	36	7	9	10

(a) Unless otherwise indicated, the 1987 results correspond to data collected during the October/November 1987 EC investment survey; the results for 1988 and 1989 are based on the October/November 1988 survey. Balances are the weighted averages of the percentages of answers describing each factor as 'very stimulating' (coefficient 1), 'stimulating' (0.5), 'limiting' (-0.5) and 'very limiting' (-1). The answers which do not mention any of these descriptions are not taken into account in calculating the above percentages.

(b) Including the extractive industries in the Federal Republic of Germany, Spain, France, Italy, the Netherlands and Portugal.

(c) All results are taken from the October/November 1987 survey.

(d) The main ones are technological developments, the availability of labours and its attitude towards the new technologies, and lastly the technical conditions set by the public authorities before they grant the investment permit. In France the survey dealt with the obstacles to investment incorporating new technologies. The sign of the balances has been inverted.

(e) The information for 1987 is taken from a survey carried out in April/May 1988.

TABLE 10: Indicators of output and economic sentiment

		Ranges				1988	1988		1989	1988		1989			
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83		III	IV	I	Nov.	Dec.	Jan.	Feb.	March	April*
B	<i>gross domestic product</i> 1980=100	:	:	:	:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	102,5	76,5	106,3	92,4	:	109,0	:	:	111,3	:	:	:	:	:
	1. industrial confidence indicator	19	-56	-4	-35	-5	-3	-2	-1	-3	-1	-1	-1	0	0
	2. construction confidence indicator	9	-36	-7	-65	-15	-14	-8	-5	-10	-6	-5	-3	-6	-5
	3. consumer confidence indicator (c)	7	-18	-7	-31	-6	-5	-3	-2	-3	-2	-3	-2	-1	0
	4. share-price index (c)	155,1	98,0	114,3	75,0	315,1	315,8	339,7	365,6	338,0	346,3	363,2	370,0	363,7	371,9
	= 5. economic sentiment indicator	109,0	98,9	103,9	96,8	103,1	103,2	103,9	104,3	103,8	104,2	104,1	104,3	104,4	104,6
DK	<i>gross domestic product</i> 1980=100	:	:	:	:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	:	:	107,7	95,5	101,7	99,3	101,5	:	103,6	103,6	:	:	:	:
	1. industrial confidence indicator	:	:	:	-22	-1	-1	-1	4	(-1)	(-1)	4	(4)	(4)	4
	2. construction confidence indicator	:	:	:	-37	-10	-18	-15	-12	(-15)	(-15)	-12	(-12)	(-12)	-26
	3. consumer confidence indicator (c)	:	-16	5	-22	-16	-16	-19	-17	-18	-22	-20	-14	-17	-15
	4. share-price index (c)	:	:	:	:	396,3	410,4	468,4	540,8	463,3	488,0	539,4	545,9	537,0	558,2
	= 5. economic sentiment indicator	:	:	:	:	102,2	102,1	102,6	103,5	102,6	102,8	103,5	103,8	103,4	103,5
D	<i>gross domestic product</i> 1980=100	85,1	83,3	101,2	98,9	:	115,1	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	92,0	82,4	103,1	91,4	110,8	112,0	112,9	:	112,3	114,0	:	:	:	:
	1. industrial confidence indicator	10	-49	2	-40	-4	-1	1	3	1	1	2	3	4	4
	2. construction confidence indicator	-4	-72	11	-64	-28	-28	-23	-18	-24	-20	-20	-16	-19	-19
	3. consumer confidence indicator (c)	:	-22	9	-31	-5	-4	0	-3	0	-1	-2	-3	-3	-3
	4. share-price index (c)	109,0	75,2	115,6	97,6	217,9	224,7	241,6	253,2	239,9	243,8	255,2	252,9	251,6	258,8
	= 5. economic sentiment indicator	103,8	97,0	103,6	94,7	100,0	100,3	101,1	101,1	101,1	101,1	101,1	101,1	101,0	101,1
F	<i>gross domestic product</i> 1980=100	85,4	84,2	99,8	102,4	:	116,3	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	96,7	82,2	105,2	94,8	108,0	109,1	109,6	:	111,4	110,4	:	:	:	:
	1. industrial confidence indicator	29	-49	5	-39	4	6	9	10	8	9	10	11	9	7
	2. construction confidence indicator	:	:	-17	-57	-4	2	-1	-2	(-1)	(-1)	-2	(-2)	(-2)	0
	3. consumer confidence indicator (c)	:	-9	3	-27	-11	-10	-11	-10	-10	-13	-9	-10	-11	-9
	4. share-price index (c)	86,6	53,6	101,2	82,7	317,3	331,4	369,2	415,3	371,7	372,4	411,0	421,8	413,2	430,1
	= 5. economic sentiment indicator	107,8	97,6	101,8	95,1	100,5	101,1	101,0	101,4	101,2	100,7	101,6	101,5	100,1	101,4
IRL	<i>gross domestic product</i> 1980=100	:	:	:	:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	80,4	72,3	103,8	99,6	125,9	124,5	133,1	:	129,7	135,6	:	:	:	:
	1. industrial confidence indicator	:	-41	20	-40	2	7	5	8	4	2	5	6	14	2
	2. construction confidence indicator	:	:	:	-60	-5	7	14	18	(14)	(14)	18	(18)	(18)	23
	3. consumer confidence indicator (c)	:	-41	12	-44	-16	-15	-13	-8	-12	-12	-9	-6	-8	-9
	4. share-price index (c)	85,8	29,9	112,2	79,4	:	361,9	:	:	:	:	:	:	:	:
	= 5. economic sentiment indicator	109,1	96,7	103,6	98,1	102,1	102,6	103,0	103,8	103,1	103,1	103,5	104,0	104,0	103,6
I	<i>gross domestic product</i> 1980=100	80,4	77,2	101,2	98,2	:	120,7	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	87,9	72,6	104,7	98,1	108,6	109,9	111,3	:	110,6	113,8	:	:	:	:
	1. industrial confidence indicator	31	-59	13	-41	6	6	12	12	13	12	12	11	13	11
	2. construction confidence indicator	-8	-56	-5	-51	-13	-8	-11	-12	-7	-10	-8	-11	-18	-8
	3. consumer confidence indicator (c)	:	-39	-12	-30	-4	-4	-3	-4	-1	-4	0	-4	-9	-11
	4. share-price index (c)	169,6	68,5	185,0	116,9	531,8	549,0	590,3	602,5	594,0	588,9	614,7	595,4	597,4	619,5
	= 5. economic sentiment indicator	103,8	97,4	101,6	97,6	102,7	102,8	103,2	102,9	103,6	103,0	103,6	102,9	102,1	101,8
NL	<i>gross domestic product</i> 1980=100	:	:	:	:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	94,8	87,1	117,5	90,7	107,3	109,3	110,3	:	111,0	108,0	:	:	:	:
	1. industrial confidence indicator	12	-44	4	-31	-2	-1	0	1	0	1	1	0	1	2
	2. construction confidence indicator	3	-47	3	-46	1	5	6	0	7	5	3	-1	-3	-5
	3. consumer confidence indicator (c)	6	-15	5	-37	1	3	2	11	3	2	12	10	10	9
	4. share-price index (c)	:	86,3	122,8	92,8	315,8	333,0	334,2	330,7	331,4	334,6	358,6	365,0	268,6	279,5
	= 5. economic sentiment indicator	107,8	100,7	105,3	97,1	107,0	107,7	107,7	108,6	107,8	107,6	109,3	108,9	107,5	107,5
UK	<i>gross domestic product</i> 1980=100	94,6	91,0	102,5	97,7	:	124,1	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	92,7	89,6	110,0	93,8	117,7	119,7	119,7	:	120,3	119,3	:	:	:	:
	1. industrial confidence indicator	:	:	9	-60	17	18	13	6	12	13	10	5	3	1
	2. construction confidence indicator	:	:	7	-62	30	30	32	42	(32)	(32)	42	(42)	(42)	35
	3. consumer confidence indicator (c)	:	-33	14	-26	2	2	-7	-13	-4	-12	-13	-11	-16	-17
	4. share-price index (c)	78,5	23,3	111,6	104,4	357,5	364,1	358,3	402,5	362,2	346,8	367,9	428,4	411,1	408,6
	= 5. economic sentiment indicator	103,8	97,7	104,9	98,8	106,0	106,0	105,3	105,0	105,3	105,0	105,0	105,3	104,7	104,4
EUR	<i>gross domestic product</i> (a)(b) 1980=100	85,1	85,5	101,1	101,0	:	118,8	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	92,9	83,0	103,2	94,6	108,0	108,7	110,5	:	111,2	111,3	:	:	:	:
	1. industrial confidence indicator	16	-49	3	-36	3	4	6	6	6	6	6	6	6	5
	2. construction confidence indicator	:	:	-1	-50	-5	-2	-1	3	(-1)	(0)	3	(4)	(2)	1
	3. consumer confidence indicator (c)	5	-17	1	-22	-5	-4	-5	-6	-4	-7	-5	-6	-8	-8
	4. share-price index (c)	:	47,0	115,4	111,7	326,1	335,2	348,8	381,7	350,1	346,3	369,6	395,5	379,9	386,3
	= 5. economic sentiment indicator	107,5	96,6	104,1	97,4	103,7	104,1	104,1	104,2	104,3	103,8	104,4	104,4	103,7	103,6

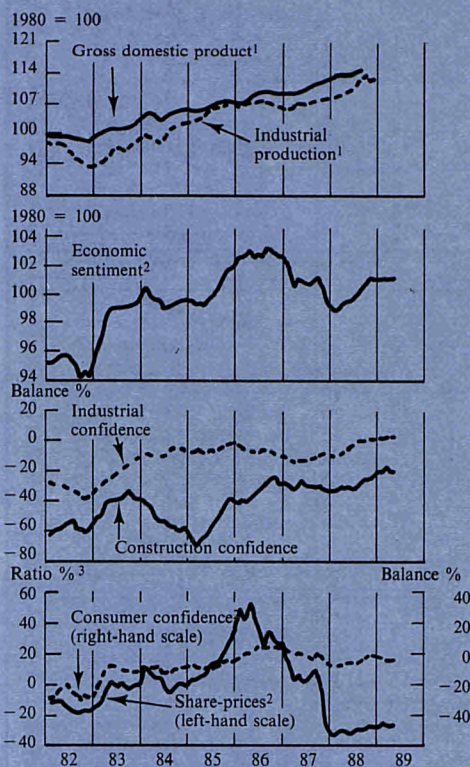
(a) Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.

(b) For the Federal Republic of Germany, gross national product for quarterly data.

(c) Not seasonally adjusted.

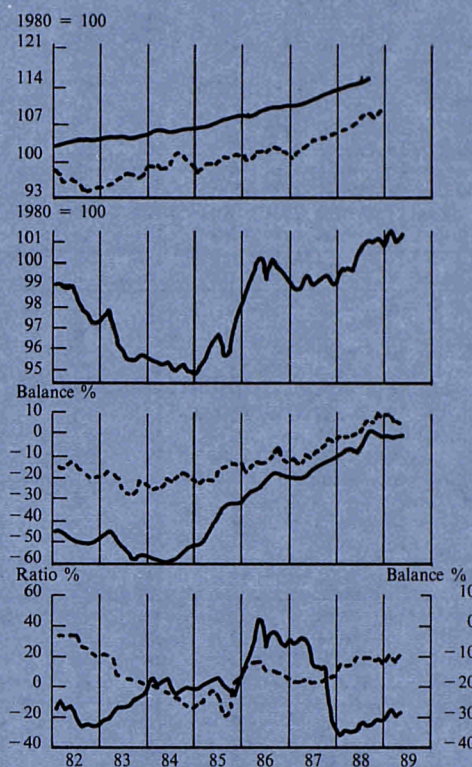
GRAPHS 4-9: Indicators of output and economic sentiment

GRAPH 4: Federal Republic of Germany



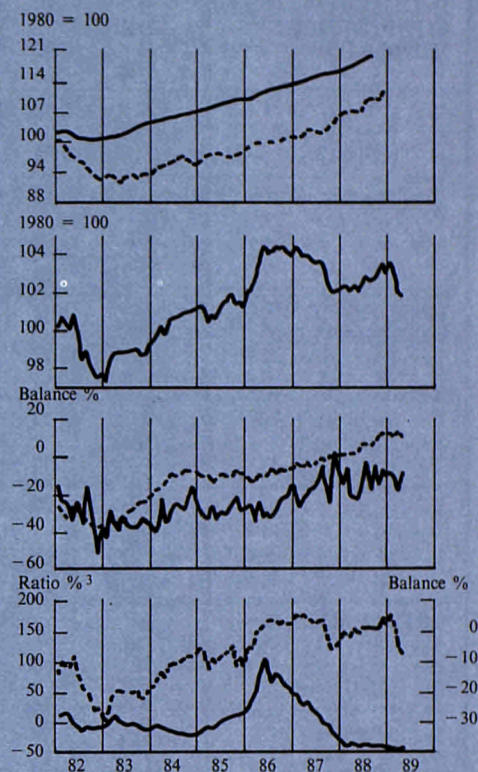
¹ Three-month moving average.
² See notes to Table 10.
³ Deviations from trend in %.

GRAPH 5: France



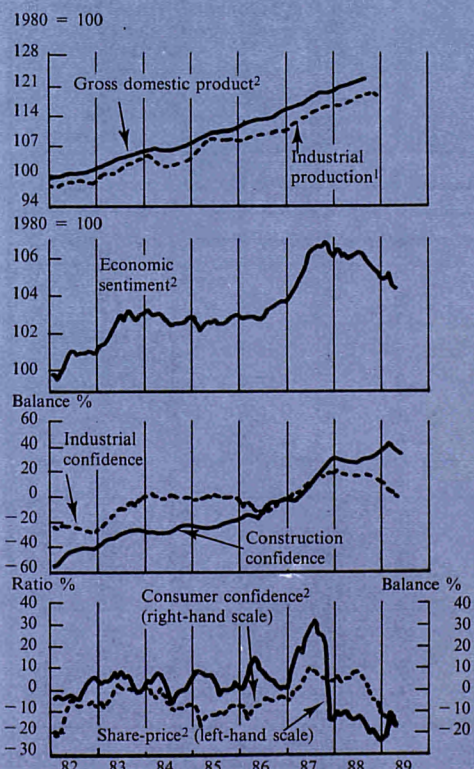
For explanations, see Graph 4.

GRAPH 6: Italy



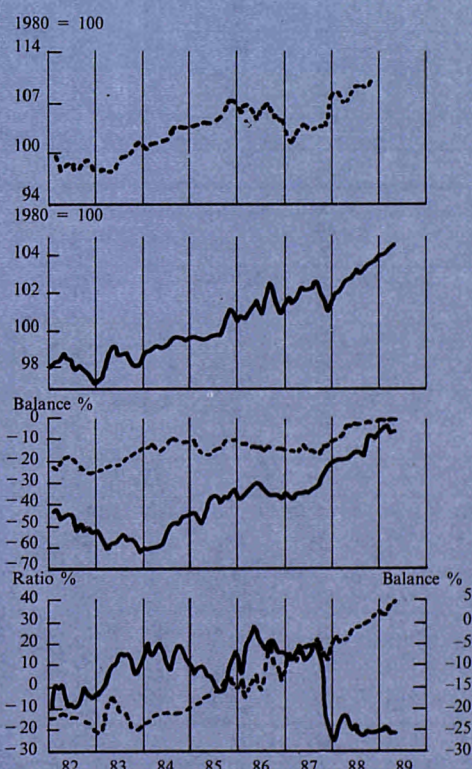
For explanation, see Graph 4.

GRAPH 7: United Kingdom



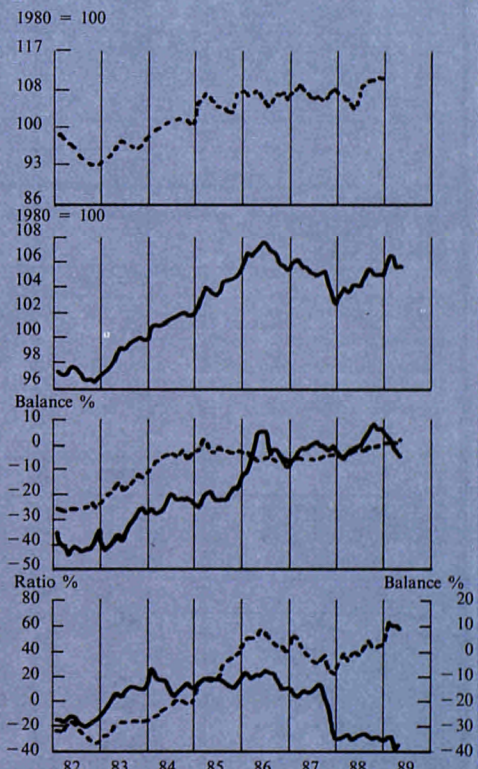
¹ Three-month moving average.
² See notes to Table 10.
³ Deviations from trend in %.

GRAPH 8: Belgium



For explanations, see Graph 7.

GRAPH 9: Netherlands



For explanations, see Graph 7.

TABLE 11: **Monthly survey of manufacturing industry** — Monthly questions and the composite industrial confidence indicator (a)
Balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Ranges (b)				1988	1988		1989	1988		1989			
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83		III	IV	I	Nov.	Dec.	Jan.	Feb.	March	April
INDUSTRIAL CONFIDENCE INDICATOR	B	19	-56	-4	-35	-5	-3	-2	-1	-3	-1	-1	-1	0	0
	DK	:	:	:	-22	-1	-1	-1	4	:	:	4	:	:	4
	D	10	-49	2	-40	-4	-1	1	3	1	1	2	3	4	4
	GR	:	:	:	:	-1	1	1	0	3	-4	2	-2	0	0
	E	:	:	:	:	-3	-5	-2	-3	-1	-3	-4	-2	-2	-2
	F	29	-49	5	-39	4	6	9	10	8	9	10	11	9	7
	IRL	:	-41	20	-40	2	7	5	8	4	2	5	6	14	2
	I	31	-59	13	-41	6	6	12	12	13	12	12	11	13	11
	L	:	:	16	-65	4	5	5	7	4	4	4	7	10	13
	NL	12	-44	4	-31	-2	-1	0	1	0	1	1	0	1	2
	P	:	:	11	-25	1	-1	4	0	3	4	1	0	-1	-1
UK	:	:	9	-60	17	18	13	6	12	13	10	5	3	1	
EUR		16	-49	3	-36	3	4	6	6	6	6	6	6	6	5
PRODUCTION EXPECTATIONS	B	31	-56	-4	-37	2	8	4	6	3	2	5	9	4	5
	DK	:	:	:	8	3	2	6	14	:	:	14	:	:	9
	D	17	-32	10	-30	5	7	9	8	9	9	7	9	9	11
	GR	:	:	:	:	20	16	22	25	23	15	23	24	27	19
	E	:	:	18	-20	10	9	12	8	12	10	8	7	9	7
	F	33	-29	18	-20	12	13	20	17	18	19	18	17	16	13
	IRL	:	-21	40	-33	9	14	17	17	12	12	13	12	27	7
	I	40	-43	24	26	16	19	25	27	27	26	27	26	27	24
	L	84	-80	40	-66	7	6	11	11	9	15	6	12	16	18
	NL	26	-26	20	-13	3	6	4	6	4	7	8	5	6	9
	P	:	:	30	-13	14	9	23	12	21	25	12	11	12	13
UK	:	:	29	-52	31	34	28	21	27	29	25	20	17	12	
EUR		24	-30	15	-24	13	15	17	16	17	18	16	16	15	13
ORDER BOOKS	B	13	-74	-14	-49	-12	-10	-9	-6	-12	-3	-6	-7	-4	-1
	DK	:	:	:	-34	-2	4	-2	4	:	:	4	:	:	6
	D	5	-73	-6	-59	-12	-9	-4	-1	-4	-5	-2	-2	2	4
	GR	:	:	:	:	-15	-10	-11	-14	-12	-12	-9	-17	-16	-13
	E	26	-45	:	:	-9	-13	-7	-5	-6	-8	-6	-6	-4	-4
	F	26	-69	0	-56	5	10	13	15	14	14	15	16	14	10
	IRL	:	-68	18	-55	-1	8	2	10	4	-4	7	9	13	2
	I	30	-82	7	-66	2	3	8	10	9	6	9	9	12	9
	L	:	:	8	-70	3	9	6	9	10	-3	3	11	13	17
	NL	7	-48	-5	-42	-7	-6	-3	-2	-3	-3	-2	-2	-1	-1
	P	:	:	3	-35	-6	-7	-7	-7	-8	-8	-6	-7	-8	-10
UK	:	:	-2	-85	18	19	15	5	15	12	11	1	2	4	
EUR		15	-70	-7	-56	-1	1	4	4	4	3	5	3	5	5
EXPORT ORDER BOOKS	B	15	-82	-19	-55	-15	-12	-11	-12	-13	-6	-10	-16	-9	-6
	DK	:	:	:	14	7	15	7	11	:	:	11	:	:	16
	D	:	:	-14	-50	-18	-16	-12	-4	-12	-11	-6	-4	-2	-2
	GR	:	:	:	:	-20	-20	-19	-21	-18	-18	-20	-26	-18	-25
	E*	:	:	:	:	-24	-24	-19	-16	-19	-17	-17	-10	-20	-18
	F	24	-66	10	-52	8	13	19	20	20	20	24	19	16	14
	IRL	:	:	:	:	16	18	20	14	10	21	11	18	12	4
	I	13	-67	-6	-59	-11	-9	-3	-2	-7	0	-2	-3	0	-3
	L	:	:	9	-80	14	28	48	13	68	17	14	10	16	18
	P	:	:	4	-35	-6	-4	-1	-8	-1	-1	-6	-9	-9	-7
	UK	:	:	-11	-72	4	6	-1	-10	-4	-5	-5	-11	-13	-7
EUR		:	:	-12	-50	-8	-5	-3	-1	-4	-2	0	-2	-1	0
STOCKS OF FINISHED PRODUCTS	B	-14	37	2	18	3	6	1	3	0	2	2	5	1	3
	DK	:	:	:	24	4	8	6	7	:	:	7	:	:	5
	D	-7	43	-2	31	3	0	1	0	1	0	0	-1	0	0
	GR	:	:	:	:	10	4	7	11	3	16	9	13	12	6
	E	-17	24	15	35	11	10	10	10	10	10	14	7	10	10
	F	-14	50	3	42	6	5	6	2	9	5	4	-1	-4	3
	IRL	:	35	-6	33	2	2	3	2	4	1	5	4	-2	2
	I	-24	53	-8	32	1	3	-2	0	-2	-4	1	1	-1	1
	L	-14	74	0	58	-2	-1	2	0	6	-1	-2	1	0	-4
	NL	-3	57	3	39	3	3	1	2	1	0	2	2	3	1
	P	:	:	1	26	5	5	5	5	5	5	2	5	7	6
UK	:	:	-1	42	-1	-2	3	7	6	1	5	7	9	13	
EUR		-10	48	-1	31	4	3	3	3	4	2	3	2	3	4
SELLING-PRICE EXPECTATIONS	B	64	-10	39	12	18	21	25	22	21	23	25	24	18	20
	DK	55	4	38	4	19	21	23	25	23	25	26	23	25	25
	GR	:	:	:	:	24	25	22	26	21	24	33	20	25	26
	E*	:	:	:	:	13	9	17	29	14	29	37	28	22	14
	F	76	15	62	17	20	24	29	24	28	34	25	25	21	22
	IRL	:	64	77	20	9	11	14	19	16	15	23	18	16	14
	I	76	10	87	37	22	24	27	32	27	30	32	31	32	29
	L	:	-46	74	-38	54	51	60	51	59	62	50	50	53	16
	P*	:	:	:	:	24	21	28	27	28	36	37	33	22	19
	UK	:	:	70	7	29	29	33	27	34	32	28	26	26	27
	EUR		64	9	53	22	22	24	27	27	27	29	28	26	26	25

(a) The indicator is an average of the responses (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

(b) These are the extreme (high and low) values of the balances of the different questions, reached in the course of 1972-1975 and 1979-1983, respectively.

Note: (s.a.) = seasonally adjusted.

: = not available.

() = estimated.

* = figures not s.a.

Source: European Community business surveys.

TABLE 12: Survey of the construction industry

Balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Range		Range		1988		1988		1989		1988		1989			
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83			III	IV	I		Nov.	Dec.	Jan.	Feb.	March	April
B	order-books	-13	-47	-20	-76	-27	-28	-20	-14	-22	-19	-16	-14	-13	-15		
	employment expectations	+31	-24	+7	-53	-2	0	+5	+6	+3	+7	+7	+9	+1	+6		
	price expectations	+75	+25	+61	-18	+15	+15	+17	+22	+17	+18	+25	+21	+19	+20		
	construction confidence indicator (a)	+9	-36	-7	-65	-15	-14	-8	-5	-10	-6	-5	-3	-6	-5		
DK	order-books	:	:	:	-38	-13	-33	-23	-15	(-23)	(-23)	-15	(-15)	(-15)	-26		
	employment expectations	:	:	:	-35	-8	-3	-7	-9	(7)	(-7)	-9	(-9)	(-9)	-25		
	price expectations	:	:	:	-36	-10	-18	-15	-12	(-15)	(-15)	-12	(-12)	(-12)	-26		
	construction confidence indicator (a)	:	:	:													
D	order-books	-17	-84	+2	-75	-47	-45	-41	-37	-42	-38	-38	-36	-38	-37		
	employment expectations	+10	-60	+20	-53	-9	-10	-5	+1	-6	-2	-2	+5	+1	-1		
	price expectations	+48	-37	+48	-49	-3	-2	+3	+13	+2	+6	+11	+14	+14	+16		
	construction confidence indicator (a)	-4	-72	+11	-64	-28	-28	-23	-18	-26	-20	-20	-16	-19	-19		
GR	order-books	:	:	:	-78	-65	-58	-63	-46	(-63)	(-63)	-46	(-46)	(-46)	-71		
	employment expectations	:	:	:	-77	+9	+17	+5	+6	(+5)	(+5)	+6	(+6)	(+6)	-4		
	price expectations	:	:	:	+9	+5	+21	-1	+18	(-1)	(-1)	+18	(+18)	(+18)	+12		
	construction confidence indicator (a)	:	:	:	-78	-28	-21	-29	-20	(-29)	(-29)	-20	(-20)	(-20)	-38		
F	order-books	:	:	-26	-73	-9	-3	-5	-4	(-5)	(-5)	-4	(-4)	(-4)	-8		
	employment expectations	:	:	-8	-47	+2	+7	+3	+1	(+3)	(+3)	+1	(+1)	(+1)	+8		
	price expectations	:	:	-17	-57	-4	+2	-1	-2	(-1)	(-1)	-2	(-2)	(-2)	0		
	construction confidence indicator (a)	:	:	:													
IRL	order-books	:	:	:	-58	-6	+7	+17	+18	(+17)	(+17)	+18	(+18)	(+18)	+8		
	employment expectations	:	:	:	-61	-3	+7	+10	+18	(+10)	(+10)	+18	(+18)	(+18)	+37		
	price expectations	:	:	:		-7	-6	+22	+16	(+22)	(+22)	+16	(+16)	(+16)	+28		
	construction confidence indicator (a)	:	:	:	-60	-5	+7	+14	+18	(+14)	(+14)	+18	(+18)	(+18)	+23		
I	order-books	-25	-68	-8	-62	-17	-13	-13	-17	-12	-14	-22	-10	-19	-5		
	employment expectations	+10	-44	+2	-39	-9	-3	-8	-7	-1	-6	+6	-11	-16	-10		
	price expectations	+85	+30	+79	+2	+25	+29	+27	+29	+31	+34	+35	+16	+38	+43		
	construction confidence indicator (a)	-8	-56	-5	-51	-13	-8	-11	-12	-7	-10	-8	-11	-18	-8		
L	order-books	+21	-50	+15	-79	-8	-9	-13	-21	-13	-10	-26	-24	-14	-23		
	employment expectations	+31	-39	+46	-75	-5	-18	-10	-2	-9	-12	-17	+8	+3	-6		
	price expectations	+82	+11	+81	-49	-15	-22	-19	-14	-22	-17	-23	-18	-2	-23		
	construction confidence indicator (a)	+26	-45	+31	-77	-7	-14	-12	-12	-11	-11	-22	-8	-6	-15		
NL	order-books	-8	-81	-10	-61	-3	+1	-1	-5	0	-2	-4	-6	-4	-8		
	employment expectations	+14	-13	+15	-31	+6	+9	+13	+4	+14	+11	+9	+5	-1	-1		
	price expectations	:	:	:		+17	+18	+25	+33	+27	+27	+28	+30	+41	+33		
	construction confidence indicator (a)	+3	+47	+3	-46	+1	+5	+6	0	+7	+5	+3	-1	-3	-5		
UK	order-books	:	:	-1	-74	+19	+22	+25	+33	(+25)	(+25)	+33	(+33)	(+33)	+35		
	employment expectations	:	:	+15	-50	+40	+38	+39	+51	(+39)	(+39)	+51	(+51)	(+51)	+35		
	price expectations	:	:	+74	-21	+67	+70	+70	+68	(+70)	(+70)	+68	(+68)	(+68)	+64		
	construction confidence indicator (a)	:	:	+7	-62	+30	+30	+32	+42	(+32)	(+32)	+42	(+42)	(+42)	+35		
EUR	order-books	:	:	-9	-64	-16	-12	-10	-7	(-11)	(-9)	-8	(-6)	(-8)	-7		
	employment expectations	:	:	+7	-35	+7	+8	+9	+12	(+9)	(+10)	+13	(+13)	(+11)	+9		
	price expectations	:	:	-1	-50	-5	-2	-1	+2	(-1)	(+1)	+3	(+4)	(+2)	+1		
	construction confidence indicator (a)	:	:	:													

(a) The indicator is an average of the responses (balances) to the questions on order-books and employment expectations.

Source: European Community business surveys.

TABLE 13: Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988					1989			
											Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April
CONSUMER CONFIDENCE INDICATOR (b)	B	-20	-27	-27	-28	-27	-21	-17	-12	-6	-5	-5	-4	-3	-2	-3	-2	-1	0
	DK	-19	-17	-12	0	6	4	-3	-10	-16	-16	-20	-16	-18	-22	-20	-14	-17	-15
	D	-5	-22	-26	-15	-10	-7	3	-1	-5	-4	-3	0	0	-1	-2	-3	-3	-3
	GR	:	:	0	-11	-4	-5	-20	-29	-21	-21	-20	-19	-21	-21	-16	-15	-14	-11
	E	:	:	:	:	:	:	-9	-8	-2	4	1	2	-2	-3	1	-3	-3	-1
	F(d)	-10	-9	-5	-15	-23	-21	-14	-18	-11	:	-10	-11	-10	-13	-9	-10	-11	-9
	IRL	-22	-28	-34	-39	-33	-29	-28	-29	-16	-16	-15	-16	-12	-12	-9	-6	-8	-9
	I	-22	-22	-18	-24	-15	-12	-4	-4	-4	:	-4	-4	-1	-4	0	-4	-9	-11
	NL	-25	-31	-32	-30	-22	-7	5	-2	1	5	2	2	3	2	12	10	10	9
	P	:	:	:	:	:	:	-7	0	-8	-13	-16	-7	-6	-6	-14	-11	-9	-12
	UK	-18	-21	-12	-3	-4	-10	-7	5	2	2	-2	-5	-4	-12	-13	-11	-16	-17
	EUR (c)	-13	-19	-17	-15	-14	-12	-6	-6	-5	-4	-5	-5	-4	-7	-5	-6	-8	-8
FINANCIAL SITUATION OF HOUSEHOLDS	B	-15	-19	-25	-29	-31	-23	-14	-9	-5	-3	-5	-4	-4	-3	-4	-4	-4	-2
	DK	-10	-12	-7	-4	-2	-3	-2	-1	-5	-2	-3	-5	-2	-5	-6	-7	-8	-5
	D	-4	-16	-18	-14	-11	-8	1	1	0	0	0	2	0	2	-3	-2	-3	-2
	GR	:	:	-2	-13	-8	-8	-24	-31	-21	-22	-23	-18	-22	-20	-18	-15	-15	-13
	E	:	:	:	:	:	:	-10	-9	-4	-2	-3	-2	-6	-6	-2	-5	-7	-3
	F(d)	-7	-8	-7	-11	-15	-13	-11	-14	-9	:	-7	-8	-8	-10	-8	-6	-7	-5
	IRL	-32	-38	-41	-43	-42	-37	-34	-31	-23	-21	-22	-22	-18	-19	-19	-16	-18	-19
	I	-14	-14	-13	-15	-12	-10	-6	-4	-3	:	-1	-4	-2	-3	0	-2	-4	-5
	NL	-9	-18	-20	-28	-17	-3	0	2	4	3	1	3	0	0	6	6	6	6
	P	:	:	:	:	:	:	-8	-2	-5	-8	-9	-6	-6	-4	-9	-8	-7	-9
	UK	-24	-30	-27	-15	-15	-16	-13	-5	-6	-5	-5	-11	-6	-11	-10	-13	-17	-19
	EUR (c)	-11	-17	-16	-15	-15	-12	-8	-6	-5	-4	-3	-5	-4	-5	-5	-5	-7	-6

— over last 12 months

TABLE 13 (continued): Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988					1989			
											Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April
FINANCIAL SITUATION OF HOUSEHOLDS <i>(continued)</i>	B	-6	-9	-12	-15	-18	-13	-5	-1	2	1	0	2	1	4	2	4	3	3
	DK	8	4	2	0	3	3	2	2	1	1	-2	2	-1	-3	0	-1	-2	1
	D	-3	-12	-14	-9	-6	-4	2	1	-1	0	0	1	0	0	-2	-1	0	1
	GR	:	:	15	0	6	2	-12	-21	-13	-15	-12	-12	-12	-15	-7	-4	-3	1
	E	:	:	:	:	:	:	3	2	5	10	6	5	3	4	6	5	3	4
	F(d)	-2	0	0	-4	-7	-3	-2	-4	1	:	1	0	2	0	2	1	1	2
	IRL	-19	-24	-23	-26	-22	-22	-15	-15	-9	-11	-8	-9	-7	-7	-6	-6	-6	-6
	I	-10	-8	-6	-8	-3	-2	1	2	2	:	2	1	3	2	4	3	0	-2
	NL	-9	-13	-14	-21	-17	-6	2	2	4	5	5	3	6	4	8	7	6	6
	P	:	:	:	:	:	:	2	5	-1	-4	-6	-1	-3	-2	-6	-4	0	-3
UK	-13	-15	-9	-2	-3	-5	-3	4	1	3	1	-2	4	-4	-5	-9	-8	-10	
— over next 12 months		EUR(c)	-6	-9	-8	-7	-8	0	0	1	2	1	1	2	0	0	0	-1	-1
GENERAL ECONOMIC SITUATION	B	-58	-69	-68	-62	-57	-33	-29	-20	-17	-16	-13	-13	-11	-10	-9	-6	-3	-2
	DK	-56	-47	-42	-4	4	2	-10	-22	-31	-29	-37	-34	-34	-35	-31	-27	-28	-27
	D	-18	-46	-51	-29	-14	-11	7	-2	-9	-9	-4	-1	0	2	-2	-5	-4	-5
	GR	:	:	-2	-11	-4	-10	-28	-34	-22	-22	-21	-20	-24	-24	-23	-21	-21	-17
	E	:	:	:	:	:	:	-15	-18	-9	-5	-7	-8	-9	-12	-7	-11	-12	-7
	F(d)	-39	-37	-28	-41	-54	-52	-34	-39	-29	:	-24	-27	-26	-32	-27	-26	-26	-24
	IRL	-56	-66	-74	-77	-65	-61	-58	-58	-30	-26	-28	-30	-18	-17	-15	-12	-12	-14
	I	-57	-60	-51	-57	-36	-26	-10	-7	-12	:	-11	-11	-4	-11	-4	-11	-20	-26
	NL	-55	-64	-64	-54	-19	8	18	-1	1	8	4	9	10	15	21	21	19	19
	P	:	:	:	:	:	:	-5	5	-5	-8	-13	-4	-7	-8	-14	-10	-12	-13
UK	-55	-62	-40	-23	-25	-37	-29	-4	-4	-3	-8	-13	-16	-23	-25	-21	-32	-31	
— over last 12 months		EUR(c)	-41	-51	-44	-37	-31	-28	-15	-14	-12	-11	-12	-11	-14	-12	-13	-17	-16
	B	-45	-51	-43	-38	-33	-17	-12	-9	-6	-7	-4	-1	0	-1	-2	-2	1	3
	DK	-42	-29	-23	3	6	4	-7	-15	-22	-21	-26	-25	-27	-30	-24	-16	-20	-17
	D	-19	-33	-32	-14	-10	-6	3	-8	-13	-12	-11	-5	-5	-6	-5	-9	-6	-5
	GR	:	:	25	6	10	3	-13	-22	-13	-16	-13	-13	-14	-15	-11	-9	-8	-4
	E	:	:	:	:	:	:	3	-2	2	6	4	2	-2	1	2	-1	-4	-1
	F(d)	-40	-27	-23	-36	-45	-34	-18	-24	-12	:	-11	-13	-10	-15	-9	-12	-14	-13
	IRL	-35	-38	-42	-45	-29	-26	-26	-29	-10	-10	-11	-11	-3	-3	-3	3	0	-1
	I	-30	-30	-24	-25	-9	-8	3	-2	-2	:	-1	-2	5	0	3	-5	-12	-13
	NL	-48	-42	-42	-28	-5	10	12	-8	-4	1	-1	4	6	9	11	9	10	9
	P	:	:	:	:	:	:	5	9	-2	-5	-10	-1	-2	-7	-9	-4	-6	-9
UK	-24	-23	-10	-5	-10	-16	-14	4	-5	-7	-10	-11	-13	-18	-17	-13	-20	-19	
— over next 12 months		EUR(c)	-30	-30	-24	-21	-18	-14	-5	-8	-7	-7	-7	-5	-8	-6	-8	-10	-9
PRICE TRENDS	B	65	69	77	78	78	72	49	32	24	26	26	25	26	28	35	38	35	36
	DK	50	51	48	26	26	26	10	0	3	4	6	-1	-2	0	-1	-2	-1	5
	D	44	52	46	23	15	9	-15	-14	-2	1	-2	-1	-1	5	10	14	16	23
	GR	:	:	15	30	24	26	39	42	26	25	22	25	26	30	25	22	22	21
	E	:	:	:	:	:	:	46	35	29	23	35	39	37	39	39	43	44	41
	F(d)	79	77	62	55	58	44	12	12	5	:	9	10	7	10	9	10	11	17
	IRL	85	87	87	80	71	59	47	35	28	28	25	25	27	28	31	24	26	28
	I	80	79	72	69	55	49	36	29	34	:	33	34	31	35	35	39	45	48
	NL	62	68	63	43	41	22	-2	-19	-12	-15	-9	-6	-8	-2	-9	-11	-5	2
	P	:	:	:	:	:	:	31	30	45	48	48	46	47	51	51	49	53	59
UK	59	41	31	15	19	24	15	11	18	19	24	25	28	27	29	32	32	35	
— over last 12 months		EUR(c)	63	62	53	40	37	30	13	11	14	16	17	17	20	21	23	25	29
	B	42	40	45	40	37	36	27	19	21	24	28	26	25	29	34	35	32	32
	DK	38	31	31	12	16	15	7	6	4	4	5	0	1	0	-5	-4	-1	1
	D	51	50	43	30	28	25	5	12	24	28	22	22	24	29	31	30	32	37
	GR	:	:	25	37	38	42	44	47	35	32	31	33	36	38	39	36	37	38
	E	:	:	:	:	:	:	19	18	14	12	18	20	22	24	23	24	27	23
	F(d)	50	39	42	37	32	27	19	12	7	:	8	12	10	15	12	12	16	19
	IRL	56	52	46	39	35	32	23	25	20	22	18	19	21	25	26	21	17	25
	I	60	58	56	54	46	48	35	42	45	:	46	45	39	46	53	55	60	57
	NL	61	52	50	38	25	17	6	2	14	13	22	20	15	19	10	17	20	29
	P	:	:	:	:	:	:	14	17	30	40	39	31	32	42	42	36	37	47
UK	43	31	29	27	40	43	32	36	48	54	53	51	55	56	53	52	55	53	
— over next 12 months		EUR(c)	51	44	42	35	35	32	20	22	30	28	28	32	33	33	36	37	37
UNEMPLOYMENT	B	57	67	60	57	44	37	33	35	22	23	24	16	11	11	12	14	7	9
	DK	39	37	29	30	5	-4	1	29	36	36	43	37	40	46	37	32	40	33
	D	20	43	43	30	20	16	4	19	26	27	25	15	17	19	17	20	15	9
	GR	:	:	11	10	11	17	31	36	25	21	23	21	24	21	24	23	20	20
	E	:	:	:	:	:	:	26	31	21	19	16	14	19	20	15	19	12	13
	F(d)	47	43	30	41	62	50	33	39	28	:	36	31	15	19	10	21	14	10
	IRL	34	47	56	67	52	48	45	45	33	31	33	32	22	20	21	22	23	23
	I	51	52	56	57	49	47	39	40	42	:	39	40	36	38	31	36	35	39
	NL	59	72	72	67	36	0	-11	8	14	14	18	8	8	9	4	4	3	4
	P	:	:	:	:	:	:	27	15	11	15	10	4	3	6	6	4	5	5
UK	58	50	34	37	32	35	32	7	-3	-6	-9	-3	-1	1	-2	-5	-3	-5	
— over next 12 months		EUR(c)	43	48	42	41	38	32	23	26	24	23	19	17	19	14	17	14	12

TABLE 13 (continued): Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988					1989				
												Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April
MAJOR PURCHASES	B	23	15	13	6	6	-18	-26	-21	-5	-2	-2	-4	-3	-1	-3	-3	0	0	
	DK	21	10	16	7	14	14	0	-15	-21	-27	-32	-16	-28	-37	-39	-17	-24	-26	
	D	18	-1	-17	-8	-9	-8	4	4	-1	1	0	2	4	-3	2	2	-1	-2	
	GR	:	:	-35	-35	-24	-20	-22	-36	-34	-31	-30	-32	-32	-31	-22	-23	-24	-22	
	E	:	:	:	:	:	:	-27	-14	-4	9	5	13	3	-3	5	-4	3	3	
	F(d)	39	28	30	19	6	-4	-3	-8	-6	:	-7	-8	-9	-8	-3	-8	-8	-5	
	IRL	30	24	13	-6	-9	-2	-10	-11	-8	-11	-5	-7	-12	-13	-1	0	-2	-6	
	I	2	4	1	-13	-15	-15	-8	-8	-6	:	-8	-4	-5	-6	-4	-6	-11	-11	
	NL	-2	-17	-21	-18	-44	-29	-6	-3	0	7	1	-6	-9	-19	12	7	9	5	
	P	:	:	:	:	:	:	-28	-17	-26	-40	-41	-21	-12	-10	-30	-28	-22	-26	
	UK	28	26	25	32	31	24	24	24	23	24	10	11	14	-5	-6	0	-4	-5	
— at present	EUR(c)	22	12	6	5	0	-3	0	-1	0	2	-2	0	-1	-6	-2	-3	-5	-5	
	B	-26	-28	-28	-30	-28	-30	-28	-20	-17	-18	-12	-18	-16	-16	-20	-16	-13	-15	
	DK	-14	-12	-10	-8	-7	-8	-12	-11	-13	-16	-15	-11	-12	-13	-9	-8	-14	-12	
	D	-19	-25	-28	-29	-28	-26	-20	-20	-21	-20	-18	-19	-20	-20	-21	-20	-21	-19	
	GR	:	:	-24	-33	-38	-33	-42	-45	-39	-39	-32	-30	-30	-32	-28	-33	-31	-35	
	E	:	:	:	:	:	:	-26	-23	-22	-18	-19	-25	-21	-18	-24	-27	-19	-27	
	F(d)	-18	-13	-9	-10	-10	-9	-3	0	0	:	0	0	0	0	0	0	0	0	
	IRL	-19	-22	-27	-31	-25	-22	-20	-19	-12	-11	-8	-14	-12	-8	-7	-10	-13	-5	
	I	-17	-18	-22	-22	-21	-21	-21	-21	-21	:	-20	-20	-24	-21	-20	-21	-20	-22	
	NL	-23	-27	-27	-29	-27	-20	-15	-12	-12	-14	-14	-13	-9	-10	-10	-14	-11	-9	
	P	:	:	:	:	:	:	6	5	4	2	0	4	10	13	16	15	13	10	
UK	-14	-19	-18	-15	-12	-14	-12	-10	-11	-9	-14	-12	-11	-14	-15	-13	-15	-12		
— over next 12 months	EUR(c)	-17	-20	-20	-21	-19	-18	-16	-14	-14	-14	-14	-14	-14	-14	-15	-14	-14	-14	
	B	38	41	40	46	46	46	43	52	57	59	59	56	59	62	57	62	58	57	
	DK	15	23	26	40	41	50	46	50	48	43	48	55	49	41	57	38	39	52	
	D	43	32	27	33	38	41	44	43	34	30	38	39	37	37	33	34	33	39	
	GR	:	:	-25	-29	-20	-18	-51	-40	-36	-32	-32	-34	-28	-30	-27	-29	-25	-24	
	E	:	:	:	:	:	:	36	43	43	47	44	44	43	43	50	43	43	43	
	F(d)	-3	-2	-5	0	6	11	12	20	25	:	26	27	27	30	33	30	26	27	
	IRL	5	-3	-9	-3	-8	-1	-3	-7	1	8	5	-7	10	5	9	6	8	5	
	I	-6	-7	10	21	33	37	47	49	48	:	48	47	55	48	47	51	43	50	
	NL	19	27	38	35	34	41	48	50	54	55	58	57	58	58	58	60	55	60	
	P	:	:	:	:	:	:	-42	-27	-40	-45	-51	-42	-37	-39	-42	-51	-46	-47	
UK	6	5	5	10	17	20	23	31	30	30	34	33	32	29	42	36	35	32		
SAVINGS	EUR(c)	15	12	12	19	24	29	31	35	34	33	36	36	37	36	38	37	34	36	
	B	-20	-21	-25	-26	-27	-33	-9	-3	2	-1	1	-4	5	4	-1	5	4	0	
	DK	-20	-19	-18	-12	-11	-7	-6	-5	-7	-8	-3	-7	-11	-15	-3	-8	-13	-6	
	D	44	23	-2	1	3	3	11	13	13	15	14	16	14	15	12	14	10	18	
	GR	:	:	-37	-41	-39	-40	-47	-57	-48	-45	-47	-49	-46	-49	-40	-40	-41	-42	
	E	:	:	:	:	:	:	-39	-35	-33	-25	-35	-34	-38	-36	-31	-42	-37	-36	
	F(d)	-32	-32	-32	-35	-37	-36	-31	-34	-29	:	-28	-29	-30	-28	-24	-27	-25	-26	
	IRL	-13	-19	-22	-25	-37	-28	-30	-31	-25	-25	-28	-31	-19	-21	-26	-22	-21	-22	
	I	-32	-30	-22	-27	-20	-17	-10	-6	-3	:	-1	-3	0	-5	-2	-3	-8	-10	
	NL	0	-1	-3	-8	-2	6	12	17	25	28	22	23	30	24	27	27	28	34	
	P	:	:	:	:	:	:	-39	-27	-30	-27	-31	-30	-27	-31	-36	-38	-34	-36	
UK	-16	-20	-17	-13	-12	-14	-12	-6	-6	-5	-5	-5	-7	-13	-5	-8	-15	-13		
— over next 12 months	EUR(c)	-4	-11	-17	-17	-16	-15	-11	-10	-8	-6	-7	-8	-8	-9	-7	-8	-10	-8	
	B	9	7	6	5	6	5	13	14	17	17	16	16	16	17	16	16	16	17	
	DK	4	4	4	8	8	11	10	10	11	11	14	12	12	11	13	11	10	13	
	D	21	16	12	11	11	12	17	17	18	20	19	19	18	20	19	21	19	22	
	GR	:	:	0	0	2	3	1	-2	2	4	5	5	2	4	3	5	4	4	
	E	:	:	:	:	:	:	5	5	7	8	8	6	5	6	8	6	6	7	
	F(d)	8	8	8	6	4	3	3	0	2	:	3	2	0	1	2	3	3	4	
	IRL	2	-4	-1	-1	-1	-1	-1	-1	2	3	3	2	5	4	2	3	4	1	
	I	8	8	13	9	11	12	15	16	18	:	20	17	20	16	17	16	16	15	
	NL	19	18	17	15	13	16	19	19	21	22	21	20	21	20	21	22	21	24	
	P	:	:	:	:	:	:	2	8	7	7	9	8	6	4	9	6	5	7	
UK	8	9	9	12	12	11	11	14	14	15	15	15	15	14	14	13	9	11		
— indicator of net acquisition of financial assets	EUR(c)	12	11	10	9	9	9	11	11	12	13	14	13	12	12	13	13	12	13	

(a) The sum of the replies for each Member State are weighted in the Community total with the value of consumers' expenditure.

(b) The indicator represents the arithmetic average of results for five questions, namely the two on the financial situation of the household, the two on the general economic situation, and that concerning major purchases at present.

(c) If monthly data are not available, the EUR-averages incorporate the most recent available results.

(d) Data of an experimental and provisional nature from June 1986 onwards; they do not involve the responsibility of the INSEE.

Source: European Community consumer survey.

Institutes carrying out the surveys

Country	Survey: Manufacturing industry	Construction	Investment	Retail sale	Consumer
Belgium	BNB Banque Nationale de Belgique	BNB	BNB	BNB	DIMARSO Gallup Belgium
Denmark	DS Danmarks Statistik	DS	DS	—	DS
Federal Republic of Germany	IFO Institut für Wirtschafts-forschung	IFO	IFO	IFO	GfK Marktforschung
Greece	IEIR Institute of Economic and Industrial Research	IEIR	IEIR	—	NSSG National Statistical Service of Greece
Spain	MIE Ministerio de Industria y Energia	—	MIE	—	INTERGALLUP S.A. and INTERCAMPO S.A. INSEE
France	INSEE Institut National de la Statistique et des Etudes Economiques	INSEE	INSEE	INSEE	—
Ireland	CSRI Confederation of Irish Industries and Economic and Social Research	CIF Construction Industry Federation	CII and ESRI	—	TEAGASC The Agricultural and Food Development Authority
Italy	ISCO Istituto per lo Studio della Congiuntura	ISCO	ISCO	ISCO	ISCO
Luxembourg	STATEC Service Central de la Statistique et des Etudes Economiques	STATEC	STATEC	—	—
Netherlands	CBS Centraal Bureau voor de Statistiek	EIB Economisch Instituut voor de Bouwnijverheid	CBS	NIPO Nederlands Instituut voor de Publieke Opinie en het Marktonderzoek	CBS
Portugal	INE Instituto Nacional de Estatistica	AECOPS Associação de Empresas de Construção e Obras Públicas do Sul	INE	—	NORMA
United-Kingdom	CBI Confederation of British Industry	BEC Building Employers Confederation	BSO Business Statistics Office	CBI	GALLUP Gallup Institute

Questions of European Community business and consumer surveys

Manufacturing industry

Monthly:

- estimate of production trend in recent months: up, unchanged, down?
- order-books: above normal, normal, below normal?
- export order-books: above normal, normal, below normal?
- stocks of finished products: above normal, normal, below normal?
- production expectations in the months ahead: up, unchanged, down?
- selling price expectations in the months ahead: up, unchanged, down?

Quarterly (January, April, July and October):

- employment expectations for the months ahead: up, unchanged, down?
- limits to production: none, insufficient demand, shortage of labour, lack of equipment, others?
- production capacity: more than sufficient, sufficient, not sufficient?
- duration of assured production: in months?
- new orders in the recent past: up, unchanged, down?
- export volume expectations for the months ahead: up, unchanged, down?
- capacity utilization: in %?
- stocks of raw material: high, normal, low?

All industries

Half-yearly (undertaken in March/April and October/November):

- investment trends and prospects: yearly percentage change of investment expenditure in current money values.

Building industry

Monthly (except for Denmark, Greece, France, Ireland and the United Kingdom, where the survey is carried out quarterly):

- current production compared with the preceding month: up, unchanged, down?
- factors holding up production: none, lack of demand, bad weather, shortage of manpower, shortage of material and/or equipment, others?
- order-books or production schedules: above normal, normal, below normal?
- employment expectations in the months ahead: up, unchanged, down?
- price expectations in the months ahead: up, unchanged, down?

Quarterly (January, April, July and October)

- duration of assured production: in months?

Retail trade sector

Monthly (France and Italy bi-monthly):

- we consider our present business (sales) position to be: good, satisfactory (normal for the season), bad;
- we consider our present stock to be: too small, adequate (normal for the season), too large;
- we expect that our orders placed on suppliers during the next (three) months, excluding purely seasonal variations, will be: up, unchanged, down;
- our business trend over the next six months, excluding purely seasonal variations, will improve, remain unchanged, deteriorate.

Quarterly:

- In the next three months, and compared with today, the number of persons we employ will: increase, remain unchanged, decline.

Consumer survey

Monthly:

- Financial situation of your household now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Financial situation of your household, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.

- General economic situation in the country now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- General economic situation in the country, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Price level now compared to 12 months ago: much higher, moderately higher, a little higher, about the same, lower, don't know.
- Price trend over the next 12 months: more rapid increase, same increase, slower increase, stability, slight decrease, don't know.
- Unemployment level in the country over the next 12 months will: increase sharply, increase slightly, remain the same, fall slightly, don't know.
- Major purchases (furniture, washing machine, TV, etc.) at present: yes, right time; neither right nor wrong time, should postpone; don't know.
- Major purchases next 12 months, compared to last 12 months: much more, a little more, the same, a little less, much less, don't know.
- Savings at present, a reasonable time to save: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Savings by you or your household over the next 12 months: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Financial situation of households at present — financial assets accumulation: borrowing, drawing on savings, just making ends meet, saving a little, saving a substantial amount, don't know.

Economic sentiment indicator

The economic sentiment indicator is a composite measure in which the industrial confidence indicator and the consumer confidence indicator are given equal weight, while the construction confidence indicator and the share-price index are attributed half the weight of each of the other two. The share-price index is included in the composite indicator in ratio-to-trend form, in order to separate short-term or cyclical variations from long-term increases in the value of shares. The long-term trend of the series is calculated using the NBER Bry-Boschan growth cycle programme. For a fuller description of the economic sentiment indicator and its components, see the technical note in the November 1982 issue of this Supplement.

Industrial confidence indicator

The industrial confidence indicator is the arithmetic average of the answers (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

Construction confidence indicator

The construction confidence indicator is the arithmetic average of the answers (balances) to the questions on order-books and employment expectations.

Consumer confidence indicator

The consumer confidence indicator is the arithmetic average of the answers (balances) to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases. For a more detailed description of the consumer confidence indicator see technical note in the December 1982 issue of Supplement C.

Industrial confidence indicator

The industrial confidence indicator is the arithmetic average of the answers (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

Construction confidence indicator

The construction confidence indicator is the arithmetic average of the answers (balances) to the questions on order-books and employment expectations.

Consumer confidence indicator

The consumer confidence indicator is the arithmetic average of the answers (balances) to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases. For a more detailed description of the consumer confidence indicator see technical note in the December 1982 issue of Supplement C.

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